

**Consulting Fees and Reimbursable Costs**

Principal	16.75	hours @\$120	\$ 2,010.00
Associates	6.50	hours @ \$90	\$ 585.00
Staff	4.00	hours @ \$30	\$ 120.00

Total Consulting Fees \$ 2,715.00

Total Reimbursable Cost \$ 225.35

(See attached log)

Telephone

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Reproduction 0.35@page

Balance from Prior Statement \$ 5,206.00

Total Fee Due: \$ 8,146.35

**FENNELL**

**Reimbursable:**

**July 8,2002- July 31,2002**

**Reimbursable Expenses:**

**Reproduction Expenses:**

<b>637 x \$.35@</b>	<b>222.95</b>
<b>Logs Attached 7/8-7/29/02</b>	

**Telephone/Fax Expenses:**

<b>235-9874</b>	<b>2.40</b>
<b>Fax: Coffman</b>	

<b>Total Reimbursable Expenses:</b>	<b>\$</b>	<b>225.35</b>
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BYT CONSULTING SERVICES				INCOMING/OUTGOING DOCUMENT LOG			
7/8/2002	Adams	IF-234-9316			39	Transcripts of Proceedings - Excerpts 12/2/1999	
7/8/2002	Adams	IF-234-9316			10	Transcript of Proceedings - Excerpts 10/28/99	
7/12/2002	Media				36	Transcripts of Proceedings - Excerpts 12/2/1999	
7/12/2002	Gen	OHD			35	Carlsmith Ball 6/27/02 Civil Action# 95-628	
7/12/2002	Gen	OHD			8	Transcript of Proceedings - Excerpts 10/28/99	
7/15/2002	Adams	Pick up			201	Original Action # 02-0002-0A July 8, 2002	
7/17/2002	Gen	OHD			18	Receiver's Reply 7/8/02 & Declaration	
7/17/2002	Media				16	Receiver's Reply 7/8/02	
7/17/2002	Media				15	Receiver's Reply 7/8/02	
7/22/2002	Adams				2	Ex Parte Motion & Order for Presentation of the current condition of the BOS	
7/22/2002	Adams				12	Real Party In Interest R.T. Fennell Response.	
7/23/2002	Media				10	Real Party In Interest R.T. Fennell Response.	
7/23/2002	Media				4	Ex Parte Motion & Order for Presentation of the current condition of the BOS	
7/24/2002	Media				6	Offer to Purchase shares of BOS, Inc.	
7/24/2002	Gen				10	Real Party in Interest R.T. Fennell Response.	
7/24/2002	Gen				4	Ex Parte Motion & Order for Presentation of the current condition of the BOS	
7/24/2002	Fennell	OF-323-7435			7	Offer to purchase shares of BOS, INC	
7/25/2002	Smith	IF-233-3336			5	Offer to purchase shares of BOS, Inc. 7/25/02	
7/29/2002	Fennell	OF-323-7435			1	Suggestions for 7/30/02 Presentation	
7/29/2002	Adams	IF-234-9316			9	Resume of D.B. Griffin and Robert J. Rogowski	
7/29/2002	Media				10	Resume of D.B. Griffin and Robert J. Rogowski	
7/29/2002	Media				3	Articles	
7/29/2002	Media				3	Articles	
7/29/2002	Media				3	Articles	
7/30/2002	Adams	IF-234-9316			12	BOS 7/1/02 Financial Information	
7/30/2002	Media				13	BOS 7/1/02 Financial Information	
7/30/2002	Media				10	Resume of D.B. Griffin and Robert J. Rogowski	
7/30/2002	Media				13	BOS 7/1/02 Financial Information	
7/30/2002	Media				13	BOS 7/1/02 Financial Information	
7/30/2002	Media				10	Resume of D.B. Griffin and Robert J. Rogowski	
7/30/2002	Media				13	BOS 7/1/02 Financial Information	
7/30/2002	Media				10	Resume of D.B. Griffin and Robert J. Rogowski	
7/30/2002	Adams	Pick up			26	A Review of the restructuring and sale alternatives for the Bank of Salpan	
7/30/2002	Adams	Pick up			10	Transcript 10/28/99 & 12/2/99	

7/31/2002	Fennell	OF-323-7435	6	KCNM & MCV Transcription 7/30/02
7/31/2002	Gen		26	A Review of the restructuring and sale alternatives for the Bank of Saipan
7/31/2002	Media		6	KCNM & MCV Transcription 7/30/02
<b>Total</b>			<b>637</b>	

August 7, 2002

To: Randall T. Fennell  
P.O. Box 500049  
Saipan, MP 96950

Fr: B.Y.T Consulting Services  
P.O. Box 500085  
Saipan, MP 96950

Re: Statement June & July 2002

Received by: \_\_\_\_\_

Employees Name

Date: \_\_\_\_\_

Time: \_\_\_\_\_

## Bank of Saipan Timeline

**08/13/97** Bank of Saipan is rejected for coverage by the Federal Deposit Insurance Corporation. To the Bank of Saipan Board of Directors from FDIC: "According to our established regulatory standards and examination findings, your bank is in poor overall financial condition. Asset quality is unsatisfactory, the bank is structurally unprofitable, risk management and forward planning are nonexistent, and capital is insufficient given the significant weaknesses with which the bank is confronted."

**1998-2000** [Deloitte Touche Tohmatsu audits of Bank of Saipan]. "We have identified significant technical weaknesses in credit administration. These include but are not limited to, lack of appraisals, aged financial information on commercial loans in which debt service is dependent on cash flows from operations, little or no documentation of inspections performed by the Bank, expired or no hazard or liability insurance in which the Bank is identified as the loss payee, loan approval not documented in the credit files, etc..."

**05/26/01-02/02** [Transcripts of BoS Board of Directors meetings]. "There is little or no serious discussion of improving the Bank, or implementing the reforms that were urged four years before by FDIC. It appears to be more concern for selling their shares at above market price than the concern with respect to the overall running of the bank. The transcripts reflect no attempt at performing due diligence, by either the Board or its counsel, to make sure the Bank was not being sold to con artists, despite a fiduciary duty to do so..." Letter: Secretary of Commerce/Director of Banking Fermin M. Atalig, 05/28/02

**12/03/01** Bank of Saipan check to Paul Calvo, \$515,592.00  
Bank of Saipan check to Thomas JM Calvo, \$515,592.00  
Bank of Saipan check to Edward Calvo, \$515,574.00  
Bank of Saipan check to Junior Larry Hillblom Pacific Trust, Keith Wabot Trustee,  
\$2,041,128.00

**Headline:** Bank of Saipan sold

**Posted:** 01/07/02

**Summary:** casas/ Businessman Douglas Montgomery is buying out members of the Tan family and Junior Larry Hillbroom to become sole owner of Bank of Saipan.

**Headline:** Businessman who wanted to buy Bank of Saipan under investigation

**Posted:** 03/11/02

**Summary:** staff/ Bank of Saipan says the deal with B. Douglas Montgomery fell through.

**Headline:** OPA probes possible conflict of interest

**Posted:** 04/16/02

**Summary:** eugenio/ Office of Public Auditor notes that the CNMI government has more than half a million in City Trust Bank, of which Juan Santiago is a major stockholder as well as serving as Chair of Commonwealth Development Authority. Other money is in the Bank of Saipan and Isla Financial Services, Inc.

**Headline:** Suspected bank fraud scheme foiled

**Posted:** 04/29/02

**Summary:** maraya/ Bank of Saipan Chief Executive Officer Tomas B. Aldan is among four defendants indicted by federal grand jury in scheme, which allegedly involved \$6.6 million.

**Headline:** BoS assures security of bank deposits

**Posted:** 04/29/02

**Summary:** staff/ Bank of Saipan says bank deposits are secure despite fraud.

**Headline:** Aldan arrested over fraud allegations

**Posted:** 04/29/02

**Summary:** dela torre/ Bank of Saipan Chief Executive Officer Tomas B. Aldan among four indicted in U.S. District Court for his alleged part in scheme to defraud bank of \$6.6 million.

**Headline:** 'Bank of Saipan is in trouble'

**Posted:** 04/30/02

**Summary:** dandan/ Bank of Saipan appears to be undergoing a slow motion run on the bank, which has deposits that include \$16 million in CNMI government money. Marianas Visitors Authority and Marianas Public Lands Authority haven't been allowed to withdraw money and there is some question as to whether garment manufacturer Willie Tan, apparently a major depositor still has money in the bank. Governor Juan Nekai Babauta wants to put the bank in receivership.

**Headline:** Bank of Saipan closes doors after "run" this morning on orders of the Department of Commerce

**Posted:** 04/30/02

**Summary:** coldeen/ Angry depositors are on hand as Commerce rep orders bank closed, some citing comments by Governor Juan Nekai Babauta in the morning edition of the Marianas Variety as the reason for their presence. Apparently insiders started pulling money as of last Friday's arrest of BOS Chief Executive Officer Tomas B. Aldan.

04/30/02      **Attorney General petitions for appointment of Bank of Saipan receiver; four pleadings in support. Superior Court order grants receiver petition.**

**Headline:** Double whammy for banking sector

**Posted:** 05/01/02

**Summary:** maraya/ Bank of Saipan Board of Directors, sort of after the fact since the government had already closed their doors, agrees to cooperate with receivership. This follows a number of events including the indictment of BOS CEO Tomas B. Aldan for his role in alleged conspiracy to steal \$6.6 million through bogus loans, using some of the money to buy the bank.

**Headline:** Bank of Saipan in receivership

**Posted:** 05/01/02

**Summary:** Marianas Cablevision offers up attorney Michael Dotts as the expert on this. Receiver will be employed by court to dole out money to parties.

**Headline:** Gov't freezes Bank of Saipan assets

**Posted:** 05/01/02

**Summary:** sabuco/ Bank of Saipan withdrawals halted as Department of Commerce abruptly shuts down the bank Tuesday morning, serving an order on Chairman and CEO, former Speaker Benigno R. Fitial. According to this story, Acting Commerce Secretary Fermin M. Atalig did this to halt a run on the bank, but both Governor Juan Nekai Babauta and the Variety certainly contributed to the panic that was driving the run before the formal shutdown.

**Headline:** 'They wouldn't let us in'

**Posted:** 05/01/02

**Summary:** casas/ Bank of Saipan depositors who weren't allowed to pull funds before the bank is closed by the government.

**Headline:** So, how do we get our money out of the Bank of Saipan?

**Posted:** 05/01/02

**Summary:** coldeen/ Various depositors stand vigil outside of Bank of Saipan trying to figure out how to get by. Non-English speakers are having particular problems. Our CNMI government, through Attorney General Robert T. Torres, says there is an effort ongoing to produce a press release to explain this. Wow, what a tough job for the governor's staff.

05/01/02      **Attorney S. Joshua Berger files entry of appearance.**

direct deposits.

**Headline:** Heinz chides economic naysayers

**Posted:** 05/03/02

**Summary:** vallejera/ In an only lightly veiled reference, Speaker Heinz Hofschneider suggests that Governor Juan Nekai Babauta could have been more careful about his statements in advance of Bank of Saipan shutdown.

**Headline:** Another BoS fiasco defendant pleads

**Posted:** 05/03/02

**Summary:** maraya/ Texas businessman Michael Thomas Wilson brought to Saipan for role in Bank of Saipan fraud case; he pleads not guilty.

**Headline:** Lt. Governor Diego T. Benavente (not clear if his is Acting at this point) reacts to criticism of CNMI government role in putting Bank of Saipan into receivership

**Posted:** 05/05/02

**Summary:** coldeen/ Questions are being raised about what caused the apparent run on the bank, which happened to follow Tuesday morning story in the Marianas Variety quoting Governor Juan Nekai Babauta.

**Headline:** Another Bank of Saipan indictee arrested in Los Angeles

**Posted:** 05/06/02

**Summary:** He is resisting being brought to the CNMI for legal action.

**Headline:** Let me get this straight

**Posted:** 05/06/02

**Summary:** letter to the editor/ron mandell/ Bank of Saipan depositor wants the CNMI government to straighten out its statements and policies about the bank.

**Headline:** Banking industry assures stability

**Posted:** 05/06/02

**Summary:** eugenio/sabuco/ Various banking entities in the CNMI attempt to douse panic withdrawals. Bank of Saipan is in receivership for the time being, Hong Kong Shanghai is closing its branches on Saipan and Guam and depositors are pulling a lot of money out of City Trust.

**Headline:** Fund may pull out \$5.6M deposit from Bank of Saipan

**Posted:** 05/07/02

**Summary:** sabuco/ CNMI Retirement Fund has a large share of CNMI government deposits in the troubled bank

**Headline:** Let me get this straight...

**Posted:** 05/07/02

**Summary:** letter to the editor/ron mandell/ Bank of Saipan depositor frustrated by government stance on troubled bank.

**Headline:** MCV figures out some previously reported details of how Bank of Saipan scam was pulled off

**Posted:** 05/07/02

**Summary:** Lt. Governor (or Acting Governor?) Diego T. Benavente, Attorney General Robert T. Torres says investigation of what went down is continuing.

05/07/02      Attorney General's Office files Summons for Bank of Saipan and complaint for appointment of receiver.

05/08/02      Attorney Richard W. Pierce files 3 pleadings on behalf of receiver.

**Headline:** Governor assures Bank of Saipan depositors

**Posted:** 05/08/02

**Summary:** sabuco/eugenio/ Governor Juan Nekai Babauta says the CNMI government will ask court to re-open the bank on a limited basis, even as a couple of government agencies have publicly threatened to pull large deposits.



**05/08/02** Attorney Brian McMahon files two pleadings on behalf of receiver.

**Headline:** Fennell files reorganization of Bank of Saipan proposal with the court

**Posted:** 05/08/02

**Summary:** Attorney Randall Fennell says Bank of Saipan is basically solvent, but needs some slowdown in reopening. Governor Juan Nekai Babauta also comments, offering few suggestions about how to retain credibility of bank. He doesn't appear to acknowledge any responsibility for the run on the bank, following his published comments last week.

**05/09/02** Calvo & Clark files notice of appearance.

**05/09/02** Attorney Richard W. Pierce files notice of hearing.

**05/09/02** Superior Court clarifies order granting petition for appoint of receiver.

**Headline:** Receiver asks court to clarify his powers

**Posted:** 05/09/02

**Summary:** maraya/ Court appointed Bank of Saipan receiver Randall T. Fennell.

**Headline:** Federal Reserve airs interest in BoS fiasco

**Posted:** 05/09/02

**Summary:** alejandro/ Federal Reserve Bank of San Francisco formally looking into the state of the local banking industry, in light of Bank of Saipan receivership.

**Headline:** Enough already

**Posted:** 05/10/02

**Summary:** editorial/ Variety congratulates Governor Juan Nekai Babauta for forcing Bank of Saipan into receivership, saying it would have been much different if [presumably] Benigno Fitial had been elected, which is no doubt true. Babauta is urged to turn Representative Stanley T. Torres loose to write a really tough law on bank regulation. Meanwhile, the editorial tantalizingly points out that Bank of Saipan is just one example of conflicts of interest between business and politicians. It mentions that in the last election, an employee of the Office of the Governor had a PR contract with one of the gubernatorial candidates. It would have been nice to read about this in the news columns at the time with names and details attached, but space was at a premium then due to all the pictures of the successful candidate gripping and grinning.

**Headline:** Bank of Saipan reopening planned

**Posted:** 05/13/02

**Summary:** maraya/ Court appointed Bank of Saipan receiver Randall Fennell determines that the bank is "illiquid," but solvent, meaning that it can pay debts, but that he will impose restrictions on some accounts. Fennell seeks to give regular customers access to funds, without restarting a bank run.

**Headline:** Manibusan expands receiver's powers

**Posted:** 05/13/02

**Summary:** maraya/ Bank of Saipan receiver Attorney Randall Fennell is getting opposition to his actions from some of the big guns on the board of the bank and/or large depositors.

**Headline:** Receiver bares plan to reopen Bank of Saipan

**Posted:** 05/13/02

**Summary:** dela torre/ Bank of Saipan receiver Randall T. Fennell has a plan for limited re-opening of the bank, but BoS managers are trying to get him replaced for alleged partiality. Apparently Fennell isn't sticking to the designated scapegoats and is examining the role of various figures in the collapse of the bank.

**Headline:** 'Gov't has full confidence in Fennell'

**Posted:** 05/14/02

**Summary:** sabuco/ Attorney General Robert T. Torres supports performance of Randall T. Fennell as Bank of Saipan receiver following criticism from bank legal counsel Michael A. Pangelinan.

**Headline:** Debacle poisons BoS' ties with other banks

**Posted:** 05/15/02

**Summary:** maraya/ Bank of Saipan closure leaves Federal Reserve Bank in San Francisco and other banks unhappy.

**Summary:** dela torre/ Court-appointed receiver for Bank of Saipan recounts problems caused for local banks and Palau Savings Bank.

05/17/02      A total of 11 pleadings from Calvo & Clark, including request for emergency order to replace the temporary receiver, supported by declarations from Paul M. Calvo, David J. Lujan, David C. Sablan and Robert Goldberg.

05/17/02      Attorney Perry B. Inos files notice of appearance on behalf of Calvo brothers.

05/17/02      Attorney General's Office files one pleading.

**Headline:** Bank of Saipan in Susupe expects to reopen on a limited basis next week

**Posted:** 05/17/02

**Summary:** All employees are urged to come back to work. Meanwhile, bank's law firm files an emergency motion to remove receiver Randall T. Fennell.

**Headline:** Bank of Saipan employees seek help

**Posted:** 05/17/02

**Summary:** casas/ Bank of Saipan employees say they're not being paid and they're mad at everyone, including bank receiver Randall Fennell.

**Headline:** BoS workers: 'All or nothing'

**Posted:** 05/17/02

**Summary:** maraya/ Bank of Saipan employees demand that receiver Randall Fennell call workers back to the job next Monday, as well as announcing bank re-opening plans. They say they are completely in the dark as to their and the bank's future.

**Headline:** Fennell: The employees' welfare a chief concern

**Posted:** 05/17/02

**Summary:** maraya/ Court-appointed Bank of Saipan receiver Randall T. Fennell says that contrary to statements of bank employees, efforts are underway to address their concerns.

05/20/02      Calvo & Clark files four pleadings, including Bank of Saipan answer to complaint.

05/20/02      Attorney General's Office files two pleadings, including declaration by Thomas D. Schoen.

05/20/02      Attorney David J. Lujan files declaration.

05/20/02      Attorney William Fitzgerald files one pleading on behalf of bank employees.

05/20/02      Asst. Attorney General Allan Lane files three pleadings, including motion to intervene.

05/20/02      Attorney Brian McMahon files three pleadings, including Receiver's report of RTF.

05/20/02      Attorney Richard W. Pierce files report of Special Counsel to Receiver for Litigation Matters.

05/20/02      Superior Court order shortening time to replace receiver.

**Headline:** MPLA seeks part in govt's suit vs. Bank of Saipan

**Posted:** 05/20/02

**Summary:** maraya/ Marianas Public Lands Authority has more than \$8 million in closed bank.

**Headline:** MPLA seeks role in Bank of Saipan receivership

**Posted:** 05/20/02

**Summary:** dela torre/ Marianas Public Lands Authority has more than \$8 million in the shuttered Bank of Saipan.

**Headline:** Wilson pleads guilty in BoS case

**Posted:** 05/20/02

**Summary:** maraya/ Texas businessman Michael T. Wilson lays out his version of the fraud against the Bank of Saipan that he participated in for US District Court Judge Alex R. Munson. The amount of the fraud is in the neighborhood of \$5 million. Wilson has entered into a plea bargain but faces extremely stiff sentences if he doesn't satisfy the court of his cooperation.

**Headline:** BoS seeks Fennell's removal

**Posted:** 05/20/02

**Summary:** maraya/ Management of Bank of Saipan asks court to remove receiver Randall T. Fennell, ostensibly due to concerns of their employees.

**Headline:** Wilson pleads guilty

**Posted:** 05/20/02

**Summary:** dela torre/ Michael T. Wilson pleads to four charges in fraud on Bank of Saipan under an agreement with the court. He must satisfy the court of full cooperation to mitigate sentences that could range up to 30 years in prison.

**Headline:** Bank of Saipan 'reportedly' will re-open tomorrow morning

**Posted:** 05/20/02

**Summary:** Bank of Saipan receiver Randall T. Fennell, hilariously, is quoted as referring to this as a 'soft opening,' which is probably quite accurate if not a witticism. Meanwhile, bank management continues to try to boot Fennell out of the job, citing various reasons.

**05/21/02** Calvo & Clark files two pleadings, including notice of hearing.

**05/21/02** Superior Court: Ex Parte motion and order for private briefing of the court.

**Headline:** Bank of Saipan opens today

**Posted:** 05/21/02

**Summary:** alejandro/ Bank of Saipan reopens today after being closed for 20 days by order of the CNMI government. Rank and file depositors will be allowed to withdraw \$500 plus 10% of the balance. It's apparently uncertain what the CNMI government will do regarding its deposits in the bank.

**Headline:** Debacle spurs heated legal battle

**Posted:** 05/21/02

**Summary:** maraya/ Bank of Saipan management is still trying to get rid of receiver Randall T. Fennell.

**Headline:** Bank of Saipan reopens today

**Posted:** 05/21/02

**Summary:** sabuco/ Bank of Saipan reopening will allow rank and file depositors to withdraw \$500, plus 10% of the balance. An important question is what the CNMI government will do with its substantial deposits in the bank.

**Headline:** Bank of Saipan re-opens its Susupe branch

**Posted:** 05/21/02

**Summary:** Long lines, but apparently a fairly smooth operation as limited withdrawals are being allowed.

**05/22/02** Attorney Matthew T. Gregory notice of appearance on behalf of Tan Holdings.

05/22/02 Attorney David J. Lujan declaration.

05/22/02 Attorney Brian McMahon, report of RTF.

**Headline:** Depositors storm Bank of Saipan (sic)

**Posted:** 05/22/02

**Summary:** alejandro/ The headline is just a little over the top, considering there was no violence other than a little jostling in line. Customers, many of them Chinese, were able to make limited withdrawals as well as pay on loans and other obligations. The bank will be open for three hours daily.

**Headline:** Only 1 Bank of Saipan branch re-opens

**Posted:** 05/22/02

**Summary:** sabuco/ Bank of Saipan re-opens in Chalan Kanoa, with long lines of customers waiting to make limited withdrawals.

**Headline:** Bank of Saipan withdrawals continue

**Posted:** 05/22/02

**Summary:** Some of those in line complain about delays; Tinian, Rota branches to reopen shortly.

**Headline:** Closed, opened, still closed!

**Posted:** 05/22/02

**Summary:** letter to the editor/name withheld/ Bank of Saipan on Rota.

**Headline:** AGO questions law firm's interference

**Posted:** 05/22/02

**Summary:** dela torre/ Assistant Attorney General Allan L. Dollison objects to 'interference' in Bank of Saipan receivership by Calvo and Clark law firm, which has been trying to get Superior Court to dismiss receiver Randall T. Fennell.

05/23/02 Calvo & Clark files four pleadings, including objection to Ex Parte proceedings and declaration of David C. Sablan.

05/23/02 Attorney Matthew T. Gregory (Tan Holdings) supports objections to Ex Parte proceedings.

05/23/02 Attorney Perry B. Inos (Calvos) supports objections to Ex Parte proceedings.

05/23/02 Attorney Brian McMahon files three motions on behalf of receiver.

05/23/02 Superior Court orders regarding receiver notice requirements and payment of employees and consultants.

**Headline:** Bank of Saipan and the aggrieved party

**Posted:** 05/23/02

**Summary:** column/ferdie p. dela torre/ Bank of Saipan aftermath. Governor Juan Nekai Babauta is again absolved by the Variety of any role in setting off run on the bank.

05/24/02 Calvo & Clark files one pleading on reconsideration of petition for appointment of receiver.

05/24/02 Attorney General's Office files two pleadings, moving to disqualify Calvo & Clark as counsel for Bank of Saipan and motion for substitution of receiver.

05/24/02 Calvo and Clark files seven pleadings, including declarations by David J. Lujan, Paul M. Calvo, Roger d. Slater, and Benigno R. Fitial.

**Headline:** BoS objects to sealed court briefing

**Posted:** 05/24/02

**Summary:** maraya/ Calvo and Clark law firm keeps plugging away in criticism of Bank of Saipan receiver Randall T. Fennell.

**Headline:** Law firm objects to closed door meetings

**Posted:** 05/24/02

**Summary:** dela torre/ Calvo and Clark, which represents Bank of Saipan management objects to closed meeting by BoS receiver Randall T. Fennell and Superior Court Presiding Judge Edward Manibusan.

**Headline:** Manibusan sets protocol for Bank of Saipan plans

**Posted:** 05/27/02

**Summary:** staff/ Superior Court Presiding Judge Edward Manibusan.

**Headline:** Bank of Saipan may have new receiver

**Posted:** 05/27/02

**Summary:** dela torre/ Attorney General's Office supports former CNMI banking regulator Oscar C. Camacho as the permanent receiver for Bank of Saipan; temporary receiver Randall T. Fennell has set limit on the time he would serve.

- 05/28/02      Department of Commerce/Banking Director Fermin M. Atalig continues receivership of Bank of Saipan: "The conclusion that the Directors (Bank of Saipan) were unwilling, or unable, to take the steps necessary to protect its depositors, is blatant. The Acting Secretary (Atalig) currently believes that it is too late for the Bank's Directors to now promise to look forward; they were unable to do so in the past. Accordingly, the Bank's fiscal situation being so dire, limited withdrawals with no prospect for an immediate repayment (sic). A permanent receiver must be appointed to do what the Board did not do."
- 05/28/02      Attorney General's Office files one pleading in opposition to defendant's motion for reconsideration.
- 05/28/02      Attorney Richard W. Pierce files two motions, including declaration of Receiver Randall T. Fennell.
- 05/28/02      Calvo & Clark file emergency motion to stay proceedings pending Supreme Court action and declaration in support of that motion.
- 05/28/02      Attorney General's Office files supporting materials for continued receivership.
- 05/28/02      Attorney Perry B. Inos files three motions on behalf of Calvo brothers.
- 05/28/02      Attorney Richard W. Pierce files receiver's report from Columbia Financial Advisor, Inc.
- 05/28/02      Calvo & Clark files 11 pleadings with the Supreme Court, including emergency petition for writ of mandamus.
- 05/28/02      Attorney Richard W. Pierce two pleadings with Supreme Court.
- 05/28/02      Superior Court issues orders shortening time on motion for substitution of receiver and disqualification of Calvo & Clark as counsel for Bank of Saipan.

**Headline:** AGO wants Calvo & Clark disqualified

**Posted:** 05/28/02

**Summary:** dela torre/ Attorney General's Office suggests that Guam law firm has been trying to get Bank of Saipan receive Randall T. Fennell removed to halt further investigation of possible wrong-doing by relative/investors or principals in the firm.

**Headline:** Bank of Saipan hearing tomorrow at Supreme Court

**Posted:** 05/28/02

**Summary:** apatang/ CNMI Supreme Court will hear 'emergency' appeal by Bank of Saipan Board of Directors and law firm Calvo and Clark, attempting to remove receiver Randall T. Fennell. 10 a.m. Bank will oppose replacing Fennell with Oscar Camacho. Fennell says, "these desperation moves won't keep the truth from coming out."

- 05/29/02 Attorney R.K. Quichocho files notice of appearance with Superior Court.
- 05/29/02 Calvo & Clark files six pleadings, including respondent's motion for disqualification of Judge Manibusan and opposition to appoint of Oscar Camacho as receiver.
- 05/29/02 Attorney Richard W. Pierce files two pleadings with Supreme Court, including opposition to petitioner's request for stay of Superior Court proceedings.
- 05/29/02 Supreme Court order granting emergency motion (removal of receiver) in part.

**Headline:** BoS asks High Court to intervene

**Posted:** 05/29/02

**Summary:** maraya/ Bank of Saipan management continues its attack on temporary bank receiver Randall T. Fennell through its law firm, Calvo and Clark. Supreme Court to hear various arguments from both sides today.

**Headline:** Calvo & Clark asks Supreme Court to intervene

**Posted:** 05/29/02

**Summary:** dela torre/ Guam law firm wants CNMI Supreme Court to intervene in Bank of Saipan proceedings, claiming receivership of bank is, "out of control."

**Headline:** Supreme Court Justice Alex Castro removes Randy Fennell as receiver for Bank of

**Posted:** 05/29/02

**Summary:** coldeen/ Great confusion ensues as Castro, with no public hearing, dumps Fennell as Bank of Saipan receiver.

**Posted:** 05/29/02

**Summary:** blalock/ Large stockholders in Bank of Saipan have filed a motion to dismiss Judge Edward Manibusan from handling receivership of bank. Manibusan says that's the overriding legal issue now.

- 05/30/02 Calvo & Clark files one pleading with Supreme Court.

- 05/30/02 Attorney Richard W. Pierce files motion to vacate (removal of Fennell as receiver) with Supreme Court.

- 05/30/02 Attorney General's Office petitions Supreme Court for rehearing or reconsideration of removal of receiver.

- 05/30/02 Supreme Court issues two orders.

**Headline:** Receivership proceedings shelved (sic)

**Posted:** 05/30/02

**Summary:** maraya/ In a seemingly unique and unprecedented decision, CNMI Supreme Court Justice Alexandro C. Castro removes Randall T. Fennell as Bank of Saipan receiver, just as Fennell was about to relinquish that position to former CNMI Director of Banking Oscar Camacho. Ruling came out at about the same time as legal counsel for the bank, Calvo and Clark, filed against further handling of the case by Superior Court Presiding Judge Edward Manibusan, bringing things pretty much to a grinding halt, pending the next set of hearings.

**Headline:** BoS: No to Oscar Camacho

**Posted:** 05/30/02

**Summary:** staff/ Bank of Saipan management, under heavy fire for past conduct, appear to continue fighting the appointment as receiver for the bank of anyone with knowledge of the bank's history, such as former CNMI Director of Banking Oscar Camacho.

**Headline:** Commerce department backs Camacho

**Posted:** 05/30/02

**Summary:** alejandro/ CNMI Department of Commerce backs Oscar Camacho, who was about to become Bank of



Saipan receiver, before Randall T. Fennell was removed by Supreme Court Justice Alejandro C. Castro.

**Headline:** Castro removes Fennell as bank receiver

**Posted:** 05/30/02

**Summary:** dela torre/ CNMI Supreme Court Justice Alejandro C. Castro, in a unilateral and unprecedented move, minus a hearing, removes Bank of Saipan receiver Randall T. Fennell, who was about to turn over the job to former CNMI Director of Banking Oscar Camacho. This development threw the entire process into chaos and apparently left Acting Secretary of Commerce Fermin Atalig as the Acting receiver.

**Headline:** Justice Castro throws Bank of Saipan case into further confusion by unilaterally dismissing Fennell as receiver

**Posted:** 05/30/02

**Summary:** blalock/ There is wide confusion as Supreme Court Justice Alejandro C. Castro dismisses receiver Randall Fennell without a hearing or concurrence by other high court judges.

**Headline:** Attorney General's Office gets a hearing on unilateral decision of Justice Castro to remove Fennell as Bank of Saipan receiver; decision also challenged by counsel for Fennell

**Posted:** 05/30/02

**Summary:** Attorney General Allan Dollison objects to decision, which was made without a hearing or consultation with other Justices. Hearing on AG motion set for 10 a.m. Friday.

**Headline:** Rep. Stanley Torres on Justice Castro decision removing Fennell as Bank of Saipan receiver

**Posted:** 05/30/02

**Summary:** apatang/ Torres says he agrees with Castro's order, which his reading on air suggests describes the work Receiver Randall T. Fennell already did.

**Headline:** FDIC report revealed Bank of Saipan's poor condition

**Posted:** 05/30/02

**Summary:** sabuco/ 1997 report of the Federal Deposit Insurance Corporation pegged the Bank of Saipan as a big loser and subsequent audits suggested that little, if anything, was done by the board of directors to fix identified problems. Report by Acting Secretary of Commerce Fermin Atalig.

**05/31/02 Attorney Richard W. Pierce files three pleadings with Supreme Court.**

**05/31/02 Calvo & Clark files four pleadings with Supreme Court, including opposition to rehearing of removal of receiver Fennell.**

**05/31/02 Superior Court issues two orders concerning May 29 hearing.**

**05/31/02 Supreme Court order regarding reinstatement of receiver.**

**Headline:** Bank of Saipan woes continue

**Posted:** 05/31/02

**Summary:** maraya/ CNMI Supreme court to "rehear" Bank of Saipan case in which Justice Alejandro C. Castro summarily dismissed receiver Randall T. Fennell with no hearing at all on motion of bank management. Great confusion ensued after Calvo and Clark firm also filed a motion to disqualify Judge Ed Manibusan, which effectively stopped action on anything else in Superior Court. Presumably this will be heard by three justices instead of Castro solo.

**Headline:** 'No receiver, not court, no judge'

**Posted:** 05/31/02

**Summary:** dela torre/ CNMI Attorney General's Office and counsel for dismissed Bank of Saipan receiver Randall T. Fennell sum up the results of Supreme Court Justice Alejandro C. Castro's granting of the motion dismissing Fennell. Castro did this with no hearing on the motion.

**Headline:** Fitia, Calvo & Clark blame governor

**Posted:** 05/31/02

**Summary:** dela torre/ In a court declaration, former House Speaker and Guam law firm accuse Governor Juan Nekai Babauta of setting off the 'run' on Bank of Saipan April 30th.

**Headline:** \$2.1M withdrawn from Bank of Saipan

**Posted:** 05/31/02

**Summary:** sabuco/ Some 900 customers have withdrawn limited amounts from the Bank of Saipan which is under receivership.

**Headline:** Options laid down to aid Bank of Saipan

**Posted:** 05/31/02

**Summary:** alejandro/ Columbia Financial Advisors, Inc. assess situation of bank at behest of now removed receiver Randall T. Fennell.

**Headline:** Bank of Saipan 'mess' aired at CNMI Supreme Court

**Posted:** 05/31/02

**Summary:** blalock/ Complex legal process leads in the course of one day to decision by Judge Edward Manibusan to dismiss Randall T. Fennell as receiver of the Bank of Saipan.

**Headline:** Interview with CNMI Attorney General Robert T. Torres on hearing on Bank of Saipan before Supreme Court Justice Alexandro C. Castro

**Posted:** 05/31/02

**Summary:**

**Headline:** Interview with Richard Pierce, counsel for dismissed Bank of Saipan receiver Randall T. Fennell

**Posted:** 05/31/02

**Summary:** blalock/

**Headline:** A long day of legal jousting leaves Fennell back in charge of Bank of Saipan receivership

**Posted:** 05/31/02

**Summary:** CNMI Supreme Court Justice Alexandro C. Castro decides to vacate his temporary order removing Attorney Randall C. Fennell as receiver of the Bank of Saipan. Meantime, though not referenced in this report, Superior Court Presiding Judge Edward Manibusan had complied with Castro's earlier order and dismissed Fennell from the position. Next move??

**06/03/02 Attorney Richard W. Pierce files two certificates of service with Supreme Court.**

**Headline:** Supreme Court reinstates Fennell

**Posted:** 06/03/02

**Summary:** maraya/ Superior Court Associate Justice Alexandro C. Castro provides another twist to the Bank of Saipan receivership, by reinstating Randall T. Fennell after Superior Court Presiding Judge Ed Manibusan had dismissed Fennell pursuant to Castro's previous order. Earlier last Friday, Fennell had expressed satisfaction with the terms of Manibusan's dismissal, which praised his professional conduct and performance as temporary receiver

**Headline:** Castro reinstates Fennell

**Posted:** 06/03/02

**Summary:** dela torre/ Further confusion over Bank of Saipan receivership, as Supreme Court Associate Justice Alexandro C. Castro reverses himself and reinstates Randall T. Fennell to the temporary job from which he dismissed him earlier last week. Meanwhile, hewing to Castro's original order, Presiding Superior Court Judge Ed Manibusan reluctantly dismissed Fennell, chiding Castro for "hasty action and lack of judiciousness."

**06/04/02 Superior Court orders regarding reinstatement of Fennell as receiver.**

**06/05/02 Calvo & Clark, two pleadings.**



**Headline:** Atalig says Bank of Saipan misled government  
**Posted:** 06/04/02

**Summary:** dela torre/ Acting Secretary of Commerce Fermin M. Atalig, says, among other things, that government funds were left uncollateralized.

**Headline:** Demapan, Manglona recused from Bank of Saipan case  
**Posted:** 06/04/02

**Summary:** dela torre/ Chief Justice Miguel S. Demapan, Justice John Manglona of CNMI Supreme Court.

**Headline:** Attorney General Torres summarizes status of Bank of Saipan  
**Posted:** 06/04/02

**Summary:** blalock/ He says Calvo and Clark is still representing the bank, but he says Calvos and other big shareholders have retained separate counsel

**Headline:** Aldan set to appear in court today  
**Posted:** 06/05/02

**Summary:** dela torre/ Various defendants in Bank of Saipan fraud case in court, including Dusean Berkich, Bert Montgomery and former BoS CEO Tomas B. Aldan will be in US District Court.

**Headline:** Berkich to hire Texas attorney in bank fraud case  
**Posted:** 06/06/02

**Summary:** dela torre/ Dusean Berkich is charged in Bank of Saipan fraud case.

**Headline:** Berkich enters 'not guilty' plea  
**Posted:** 06/07/02

**Summary:** maraya/ Dusean Berkich release on \$100K property bond after pleading to criminal charges in Bank of Saipan fraud case.

**Headline:** Jury trial of Aldan begins on Oct. 21  
**Posted:** 06/07/02

**Summary:** dela torre/ former Bank of Saipan Chief Executive Officer Tomas B. Aldan.

**Headline:** Land banking  
**Posted:** 06/07/02

**Summary:** letter to the editor/kenneth l. govendo/ Public lands rents are likely to be eaten by Bank of Saipan litigation.

**Headline:** 'Sue Bank of Saipan officials'  
**Posted:** 06/07/02

**Summary:** sabangan/ Representative Stanley T. Torres (R-Saipan) wants criminal charges filed against shareholders and directors of the troubled bank.

06/10/02      Calvo & Clark, first amended answer by Bank of Saipan.

06/10/02      Attorney General's Office: Opposition to defendant's motion for disqualification of judge.

06/10/02      Calvo & Clark files five motions with Superior Court and two with Supreme Court.

**Headline:** Lawyer: Banking Commission lacks fund to allow oversight (sic)  
**Posted:** 06/10/02

**Summary:** alejandro/ Based on letter to Attorney David J. Lujan by Attorney Richard W. Pierce, Counsel for Bank of Saipan Receiver Randall T. Fennell.

**Headline:** Bank of Saipan needs \$10M infusion  
**Posted:** 06/10/02

**Summary:** dela torre/ Richard Pierce, Counsel for Bank of Saipan Receiver Randall T. Fennell says to Attorney David Lujan and by extension, to major investors and managers of the bank.

**06/10/02**      **Superior Court order shortening time regarding disqualification of Judge Manibusan.**

**Headline:** Talks to rehabilitate BoS continue

**Posted:** 06/11/02

**Summary:** alejandro/ Attorney General Robert T. Torres tells Bank of Saipan Board member and Junior Larry Hillblom Pacific Trust official David J. Lujan that if he wants to keep kibitzing on the bank receivership, he should get his own attorney. Torres points out that there may be criminal and/or civil law prosecutions stemming from conduct of the Board and bank management.

**Headline:** Retirement Fund may sue Bank of Saipan

**Posted:** 06/11/02

**Summary:** sabuco/ CNMI Retirement Fund, as usual, though its Counsel, Kathleen Troy Rucker.

**06/12/02**      **Attorney Robert J. O'Connor notice of appearance on behalf of the Calvo brothers.**

**Headline:** Gov't shareholders vow to save Bank of Saipan

**Posted:** 06/13/02

**Summary:** sabuco/ Various parties in the Bank of Saipan mess get together to try to save its 'commercial viability.'

**06/14/02**      **Attorney Richard W. Pierce. Two pleadings to Supreme Court.**

**06/14/02**      **Attorney General Robert T. Torres, on behalf of Secretary of Commerce to Supreme Court in opposition to writ of mandamus.**

**06/14/02**      **Attorney Richard W. Pierce: Two certificates of service to Supreme Court.**

**06/14/02**      **Calvo & Clark: Three pleadings to Supreme Court.**

**06/14/02**      **Supreme Court to Attorney General's Office regarding petition to recuse Judge LaMorena.**

**06/14/02**      **Supreme Court to Attorney Richard W. Piercei regard to notice of intent to file motion to disqualify Justice Castro.**

**Headline:** BoS debacle turns into a saga

**Posted:** 06/14/02

**Summary:** vallejera/ Representative Stanley T. Torres says that Supreme Court Justice Alexandro C. Castro has a conflict of interest in sitting on Bank of Saipan case. He also says Guam Superior Court Judge Albert Lamorena is conflicted out of the case.

**Headline:** Torres slams Castro

**Posted:** 06/14/02

**Summary:** sabangan/ Representative Stanley T. Torres says Justice Alexandro C. Castro shouldn't sit on Bank of Saipan judicial panel due to conflicts stemming from Hillblom probate.

**06/17/02**      **Attorney Robert J. O'Connor substitution of counsel for Calvo brothers.**

**06/17/02**      **Calvo & Clark files six motions with Superior Court including respondent's opposition to disqualification of judge, two with the Supreme Court.**

**06/17/02**      **Supreme Court to Attorney Richard W. Pierce: Re-notice of intent to file motion to disqualify Judge Castro and joinder in motion to disqualify Judge LaMorena.**

**Headline:** Bank of Saipan receiver Fennell files motion challenging Guam Judge Lamorena sitting on three judge panel

**Posted:** 06/17/02

**Summary:** Attorney Randall T. Fennell.

**Headline:** AG Torres on Bank of Saipan court appearance

**Posted:** 06/19/02

**Summary:** coldeen/ Attorney General Robert Torres supports actions of Judge Manibusan in BoS receivership.

**Headline:** Lujan: 'We want to work in good faith'

**Posted:** 06/17/02

**Summary:** sabuco/ Attorney David J. Lujan, who is both a Bank of Saipan Board Director and Trustee of Junior Larry Hillblom Trust.

06/18/02      **Calvo & Clark: One pleading to Superior Court.**

06/18/02      **Attorney Robert J. O'Connor to Superior Court: Calvo's points and authorities on motion for disqualification of judge.**

06/18/02      **Calvo & Clark: Filing of transcript with Supreme Court.**

06/18/02      **Supreme Court to Calvo & Clark: Preliminary response to notice of intent and renote to disqualify Justice Castro.**

06/18/02      **Supreme Court to Attorney General's Office on Motion to Recuse/Disqualify Judge LaMorena.**

06/18/02      **Supreme Court to Attorney Richard A. Pierce. Three certificates of service.**

06/18/02      **Supreme Court order granting petitioner's motion for leave to file reply to answer.**

**Headline:** BoS pushes for judge's disqualification

**Posted:** 06/18/02

**Summary:** maraya/ Bank of Saipan major shareholders pursue strategy of trying to disqualify Judge Edward Manibusan, allegedly to aid "survival" of the bank, that they maintain is in danger of being liquidated.

**Headline:** Atalig, Fennell want Lamorena, Castro disqualified

**Posted:** 06/18/02

**Summary:** dela torre/ Commerce Secretary Fermin Atalig, Bank of Saipan receiver Randall T. Fennell push disqualifications of two judges.

**Headline:** Torres says he has documents to back allegations vs Castro

**Posted:** 06/18/02

**Summary:** sabangan/ Representative Stanley T. Torres (R-Saipan) cites recusals of Guam Presiding Judge Albert Lamorena from various Guam cases due to connections with Bank of Saipan board member David J. Lujan.

**Headline:** Arguments on Manibusan recusal heard in Superior Court

**Posted:** 06/19/02

**Summary:** coldeen/ Judge Juan Lizama hears arguments from Bank of Saipan lawyer Rodney Jacobs, insisting that Presiding Judge Edward Manibusan should be removed. BoS major stockholders want to hold onto bank and accuse receiver Randall T. Fennell of trying to liquidate it instead.

06/20/02      **Attorney Brian McMahon, six pleadings regarding disqualification of Justice Castro.**

**Headline:** 'JLH, Calvos don't control Bank of Saipan'

**Posted:** 06/20/02

**Summary:** sabuco/ This plot thickens so to speak. The attorney for a company called Pacific Nakon says B. Douglas Montgomery, now under indictment for defrauding the Bank of Saipan with others, transferred his shares that were "purchased" from the Calvo and Larry Hillblom Jr. shareholders. George K. Wallace says he doesn't want to hear any plans from these folks to rehabilitate the bank, since they have no standing to do so. On the other hand, the allegation in the criminal case is that Montgomery and other conspirators actually bought out the Calvos and JLH folks with the bank's own money, raising questions about how Wallace can call this a 'legitimate source.' On yet another hand, how did this occur when the Calvos and JLH were represented on the bank's board and presumably should have known what was going on?

**Headline:** Calvo & Clark: Manibusan should be disqualified

**Posted:** 06/20/02

**Summary:** dela torre/ Judge Juan T. Lizama hears arguments that Presiding Judge Ed Manibusan should be removed from handling Bank of Saipan receivership.

**Headline:** Bid to disqualify Manibusan placed under advisement

**Posted:** 06/20/02

**Summary:** maraya/ Judge Juan T. Lizama hears arguments concerning Bank of Saipan receivership and its stewardship by Judge Edward Manibusan.

**Headline:** Banking commissioner OK'd sale of BoS stocks: O'Connor

**Posted:** 06/20/02

**Summary:** maraya/ Attorney Robert O'Connor is the latest entrant in the effort to make the Bank of Saipan situation beyond the comprehension of normal humans. He wants to put all the blame for approving allegedly crooked transaction to buy the bank on then Acting Commissioner Fermin M. Atalig who he says didn't check out the purchasers. Of course O'Connor's clients, the Calvos and the Junior Larry Hillblom Trust were able to be paid off for their shares due to their strategic position on the bank board and didn't seem much interested in checking out the bona fides of the purchasers either. Sitting on the money, they now claim the transaction didn't really occur and want a voice in 'rehabilitating' the bank.

**Headline:** Accused bank defrauder Bert Douglas Montgomery says he's really the owner of Bank of Saipan but has transferred it to a related company

**Posted:** 06/20/02

**Summary:** Montgomery adds a new wrinkle to a complex story, saying that majority shareholders, the Calvos and the Junior Larry Hillblom Trust were already paid for their shares and indeed they took and continued to hold the money. He says Michael Wilson, who has pled out, was to have provided the goods for which a huge bank loan was granted, but did not. Montgomery says he doesn't think he can get a fair trial here.

06/21/02      Calvo & Clark: One pleading to Superior Court regarding memo in support of disqualification; four to Supreme Court, including declarations of Richard Martinez, David J. Lujan and petitioner opposition to recusal/disqualification of Judge LaMorena.

06/21/02      Calvo & Clark: Proof of service to Supreme Court.

06/21/02      Supreme Court to Calvo & Clark: Proof of service.

06/21/02      Attorney Brian McMahon to Supreme Court: 3 pleadings including notice of withdrawal of joinder in motion to disqualify Judge LaMorena.

**Headline:** Stakeholders hammer out BoS rehab plan

**Posted:** 06/21/02

**Summary:** vallejera/ Bank of Saipan parties meet, though some question each other's actual 'stake.'

**Headline:** O'Connor: Sale of Bank of Saipan shares was not consummated

**Posted:** 06/21/02

**Summary:** sabuco/ Attorney Robert O'Connor is the latest entrant as counsel for Bank of Saipan in BoS receivership. Of course, if his non-consummation claim is true, how did his clients walk away with \$3.5 million for shares while still insisting that they control the bank and not returning the money?

**Headline:** Duschan (sp?) Berkich letter to Rep. Stanley T. Torres

**Posted:** 06/21/02

**Summary:** Accused co-conspirator in Bank of Saipan meltdown Duschan Berkich says trial will show that David Lujan and other major shareholders (Calvos, JLH Trust) are the true crooks.

**Headline:** Tommy Aldan changes legal counsel again

**Posted:** 06/21/02

**Summary:** Former Bank of Saipan CEO Tommy Aldan has now hired Attorney Joey Arriola again after temporarily retaining Rex Kosack.

**Headline:** Montgomery thinks only Aldan stands to get a fair trial locally on Bank of Saipan fraud charges

**Posted:** 06/21/02

**Summary:**

**06/24/02 Calvo & Clark files one pleading with Superior Court, three with Supreme Court.**

**Headline:** Fennell says Castro should be disqualified

**Posted:** 06/24/02

**Summary:** dela torre/ Bank of Saipan receiver Randall T. Fennell moves to disqualify Supreme Court Justice Alexandro C. Castro from participating in receivership proceedings, specifically acting on a motion to fire Fennell from the job. He cites Castro's extensive ties to Bank of Saipan Board member David J. Lujan, particularly in the Larry Lee Hillblom probate and the fund set up by Lujan with Castro's encouragement that directly benefits the judiciary.

**Headline:** Judge Juan T. Lizama continues Judge Manibusan as judge in Bank of Saipan case

**Posted:** 06/24/02

**Summary:** Lizama finds that BoS motion is not persuasive; recusal motions filed against Judges Castro and Lamorena.

**Headline:** MVA wants waiver to get money from Bank of Saipan

**Posted:** 06/25/02

**Summary:** dones/ Marianas Visitors Authority is trying to bail its half-million dollar deposit out of Bank of Saipan; government deposits are being held as private depositors are being paid off.

**Headline:** Should Guam Justice Albert Lamorena recuses himself from CNMI Supreme Court panel on Bank of Saipan case

**Posted:** 06/25/02

**Summary:** Various issues are raised, connecting Bank of Saipan director Attorney David J. Lujan and Justice Lamorena as not only friends but business partners, giving CNMI government grounds for its disqualification request.

**Headline:** Court keeps Manibusan in BoS case

**Posted:** 06/25/02

**Summary:** maraya/ Judge Juan T. Lizama denies Calvo & Clark motion to disqualify Presiding Judge Edward Manibusan from continuing to oversee Bank of Saipan bankruptcy.

**Headline:** Lizama denies motion to disqualify Manibusan

**Posted:** 06/25/02

**Summary:** dela torre/ Judge Juan T. Lizama is not impressed by Calvo & Clark law firm arguments for removal of Presiding Judge Edward Manibusan from oversight of Bank of Saipan receivership. C & C maintained that temporary receiver Randall Fennell was 'conflicted,' but Judge Lizama says that doesn't mean the judge is.

**Headline:** Torres says he has 'evidence' vs Lamorena

**Posted:** 06/25/02

**Summary:** sabangan/ Representative Stanley T. Torres (R-Saipan) says documents show that Guam Associate Justice Alberto C. Lamorena III and Attorney David J. Lujan are business partners on Guam raising more questions about whether Lamorena should sit on Supreme Court panel on Bank of Saipan receivership. Lujan is, among many other things, a director of the failed bank and a trustee of the Junior Larry Hillblom trust, a major investor in the BoS.

**Headline:** Should Guam Justice Albert Lamorena recuse himself from CNMI Supreme Court panel on Bank of Saipan case

**Posted:** 06/25/02

**Summary:** Various issues are raised, connecting Bank of Saipan director Attorney David J. Lujan and Justice Lamorena as not only friends but business partners, giving CNMI government grounds for its disqualification request.

06/26/02      Attorney William Fitzgerald files request to withdraw from representation of Bank of Saipan employees.

06/26/02      Superior Court grants Fitzgerald motion to withdraw.

06/26/02      Supreme Court to Attorney General's Office on Director of Banking (Fermin M. Atalig) reply on motion to recuse/disqualify Judge LaMorena.

**Headline:** Attorney O'Connor, representing Calvos and other majority Bank of Saipan shareholders describes plan

**Posted:** 06/26/02

**Summary:** Attorney Robert O'Conner's 'rehabilitation plan,' sounds like the previous plan, in which small shareholders would be bought out for fixed price and some of the parties accused of possibly running the bank into the ground would still be making all the decisions, including who will be the receiver and who will manage day-to-day operations.

**Headline:** AG's Office files papers on Justice Lamorena-Lujan business relationship

**Posted:** 06/26/02

**Summary:** coldeen/ Attorney General's Office makes a case for recusal of Justice Lamorena from CNMI Supreme Court panel considering Bank of Saipan receivership, documenting business partnership between Lamorena and Bank of Saipan Board member and Junior Larry Hillblom Trust trustee David J. Lujan.

06/27/02      Attorney General's Office to Superior Court: recalendaring etc.

06/27/02      Calvo & Clark to Superior Court: Petition for Judicial Review.

06/27/02      Attorney Robert J. O'Connor to Superior Court: Reply brief in support of Calvo brothers motions to intervene and interplead the \$1.3 million they received from Montgomery.

06/27/02      Calvo & Clark: Six pleadings to Supreme Court, including declaration of Attorney David J. Lujan.

06/27/02      Supreme Court order on designation and assignment of Justice Pro Tem Frances Tydingco-Gatewood.

**Headline:** Lujan and Lamorena are business partners—govt

**Posted:** 06/27/02

**Summary:** maraya/ Director of Banking Fermin M. Atalig and Attorney General's Office put forth documents showing that Bank of Saipan Director and Junior Larry Hillblom Trust Trustee David J. Lujan were or are business partners on Guam. This is intended as evidence that Lamorena should recuse himself from sitting on a CNMI Supreme Court panel considering the Bank of Saipan receivership.



**Headline:** Atalig looks into Pacific Naxon's claims

**Posted:** 06/27/02

**Summary:** sabuco/ Commerce Secretary and Banking Commissioner Fermin M. Atalig considering claim that firm purchased share amounting to 52% of the Bank of Saipan from B. Douglas Montgomery.

**Headline:** Impartiality

**Posted:** 06/27/02

**Summary:** columb/ferdie p. dela torre/ Bank of Saipan disqualifications and recusals.

**Headline:** AG Robert Torres on 'rehabilitation' plan being proposed by major Bank of Saipan shareholders

**Posted:** 06/27/02

**Summary:** coldeen/ Attorney General Robert T. Torres sounds pretty skeptical, particularly in light of confusion caused by Bert Douglas Montgomery transfer of shares to another company.

06/28/02      Attorney Richard W. Pierce to Supreme Court regarding Petition for Mandamus.

06/28/02      Calvo & Clark to Supreme Court: Two pleadings.

06/28/02      Superior Court order concerning continued appointment of Receiver Fennell.

**Headline:** Bank of Saipan may be beyond rehabilitation

**Posted:** 06/28/02

**Summary:** sabuco/ Attorney General Robert T. Torres says. "[It] is very likely that the bank may not be able to be rehabilitated and that is the reality that we cannot back away from." However, Torres continues to have talks with representatives of major shareholders who some consider deserve much of the blame for the bank's problems in the first place.

**Headline:** Berkich lashes at 'greedy' shareholders

**Posted:** 06/28/02

**Summary:** sabangan/ DuSean Berkich, one of those indicted in Bank of Saipan defrauding, says majority shareholders are the true "crooks" in the case. At this point, they've got both the bank shares and the money paid for them.

07/01/02      Attorney Richard W. Pierce to Supreme Court; one pleading.

07/01/02      Superior Court notice to parties of case reassignment.

**Headline:** Bank of Saipan, Inc. sues Atalig

**Posted:** 07/01/02

**Summary:** dela torre/ Bank of Saipan major shareholders through Calvo & Clark sue Commerce Secretary and Banking Commissioner Fermin M. Atalig for continuing BoS in receivership, which they want to enjoin him from continuing.

**Headline:** Tydingco to hear motion to disqualify Castro, Lamorena

**Posted:** 07/01/02

**Summary:** dela torre/ Guam Associate Justice Frances Tydingco (Gatewood?) to hear motion to recuse or disqualify Justice Alexandro C. Castro and Justice Pro Tem Alberto C. Lamorena III from Bank of Saipan receivership proceedings.

**Headline:** Fund wants to be involved in Bank of Saipan meetings

**Posted:** 07/01/02

**Summary:** sabuco/ CNMI Retirement Fund's tireless legal counsel, Kathleen Troy-Rucker wants to sit in on sessions, in light of fund's \$5.5 million deposit.

07/01/02      Secretary of Commerce/Director of Banking Fermin M. Atalig rejects 'rehabilitation plan' for bank introduced by Attorney Robert J. O'Connor on behalf of Bank of Saipan board

members. "I have decided that meaningful negotiations cannot take place without resolving the ownership of the Bank and the Board's acceptance of responsibility..." "[T]o suggest that the Board of Directors' conduct is not substantially related to the present financial condition of the Bank is untenable..."

**Headline:** Gov't rejects Bank of Saipan rehabilitation plan

**Posted:** 07/02/02

**Summary:** sabuco/ Secretary of Commerce and Banking Commissioner Fermin M. Atalig yanks chain of large stockholders in Bank of Saipan, letting them know that they may face criminal charges for their role in mismanagement of the collapsed bank.

**Headline:** BoS opposes Castro's disqualification

**Posted:** 07/02/02

**Summary:** maraya/ Counsel for the major stockholders in the Bank of Saipan (not for the bank, as this report continues to say) Calvo & Clark, continue effort to oust receiver Randall T. Fennell. Fennell has filed a motion to disqualify CNMI Supreme Court Justice Alexandro C. Castro, who is in charge of the Larry Hillblom probate from handling the BoS case, which includes many of the interested parties in the probate.

**Headline:** Half-truths and lies

**Posted:** 07/02/02

**Summary:** letter to the editor/kyle l. calabrese/ Gee whiz. A new entrant in the letter to the editor race on the Bank of Saipan matter. Makes you wonder if this party has some interest in the matter.

07/03/02      **Mair, Mair, Spade & Thompson makes notice of appearance as counsel for Bank of Saipan board of directors.**

07/03/02      **Calvo & Clark files five pleadings with Supreme Court including petition to strike motion to disqualify Judge LaMorena as well as affidavits by Peter F. Perez, Jesse A. Leon Guerrero and Attorney David J. Lujan.**

07/03/02      **Supreme Court postpones hearings on disqualification/recusal of Justice Alexandro C. Castro and Judge Alberto LaMorena.**

**Headline:** Calvos seek to return \$1.3-M

**Posted:** 07/03/02

**Summary:** maraya/ Members of the Guam Calvo family repeat their offer to give money they received for shares in Bank of Saipan to the court, which isn't the same as returning it to the bank as they are suggesting. They say the sale of their bank stocks was never consummated, but they've got the money and the stocks so obviously something was consummated.

**Headline:** Calvos want to deposit disputed \$1.3M

**Posted:** 07/03/02

**Summary:** dela torre/ Guam Calvo family shareholders continue to recycle their previous offer to turn over money received for their Bank of Saipan shares to the court.

**Headline:** Torres: Camacho should be named receiver

**Posted:** 07/03/02

**Summary:** sabuco/ Attorney General Robert T. Torres again pushes for Oscar C. Camacho to be named as Bank of Saipan receiver.

**Headline:** Calvo & Clark: Nothing wrong with Castro's solicitation for law library

**Posted:** 07/04/02

**Summary:** dela torre/ Attorneys for majority stockholders in Bank of Saipan case say that Justice Alexandro C. Castro didn't do anything warranting disqualification just because he hustled parties to the Hillblom probate case for contributions to his favorite charity. Meanwhile, the Junior Larry Hillblom Trust is now renegeing on the rest of its



promised contributions.

**Headline:** Bank of Saipan has \$91.3M in total assets

**Posted:** 07/04/02

**Summary:** sabuco/ As usual, we get the side of whoever happened to get the reporter's ear last. Majority bank shareholders represented by Calvo and Clark make this claim, but the Variety has previously published the assessment of the receiver and others that the mediocre loan portfolio of the bank is not worth its face value and will have to be 'written down.'

**Headline:** Bank depositors troop to Capitol Hill

**Posted:** 07/05/02

**Summary:** sabuco/ A group of garment workers with accounts at Bank of Saipan are assured by Acting Governor Diego Benavente and Attorney General Robert T. Torres that they'll eventually get their money.

07/08/02      Attorney Brian McMahon files four reply memos on behalf of Receiver Randall T. Fennell regarding disqualification of Justice Alexandro C. Castro.

07/08/02      Superior Court order sets status conference.

07/08/02      Mair, Mair, Spade & Thompson makes entry of appearance on behalf of Bank of Saipan board of directors with Supreme Court.

07/09/02      Attorney Richard W. Pierce submits receiver's report to Superior Court under seal and Ex Parte with request for instructions.

07/11/02      Attorney Brian Sers Nicolas submits amended notice of appearance to Superior Court on behalf of Junior Larry Hillblom Pacific Trust.

**Headline:** Bank of Saipan, Fennell sued

**Posted:** 07/11/02

**Summary:** dela torre/ Bank of Saipan and its receiver Randall T. Fennell sued by various Texas parties who claim ownership of the money that bought the bank.

**Headline:** ICU patient

**Posted:** 07/11/02

**Summary:** column/ferdie p. dela torre/ Somewhat baffling take on the Bank of Saipan situation, concluding, I do not know what.

07/12/02      Superior Court issues order denying motion for disqualification.

07/12/02      Supreme Court: Declaration of Justice Alexandro C. Castro.

**Headline:** It stinks

**Posted:** 07/12/02

**Summary:** letter to the editor/mike johnson/ Bank of Saipan scandal. "We need investigations and indictments, and let the current receiver do his cleanup of this mismanaged bank."

**Headline:** Bank of Saipan 'majority shareholders' file suit under RICO statutes

**Posted:** 07/15/02

**Summary:** Michael Dotts interviewed. He says this is how to "get out" the story of the Calvos and other majority shareholders who somehow got their money out while still claiming to hold the stock.

07/16/02      Calvo & Clark: One pleading with Superior Court, three with the Supreme Court.

07/16/02      Superior Court order on receiver's request and report of July 9, 2002.

**Headline:** Castro vows impartiality

**Posted:** 07/16/02

**Summary:** maraya/ Supreme Court Associate Justice Alexandro C. Castro weighs in on motion for his disqualification from Bank of Saipan matter, saying that he and receiver Randall T. Fennell are better acquainted than he is with Guam Attorney David J. Lujan. He admits Joe Lifofoi is a family friend, but says the Hillblom probate has nothing to do with the Bank of Saipan case.

**Headline:** BoS defendants sued anew

**Posted:** 07/16/02

**Summary:** maraya/ Members of the Guam Calvo family and Junior Larry Hillblom Pacific Trust, the majority shareholders in the Bank of Saipan file a federal racketeering suit against Bert Douglas Montgomery, Tomas Aldan and others who have already been indicted in the collapse of the bank.

**Headline:** Castro says motion to disqualify him based on inaccurate facts

**Posted:** 07/16/02

**Summary:** dela torre/ Associate Justice Alexandro C. Castro gets his turn to comment on motion to disqualify him from Bank of Saipan matter and says that Guam Attorney Dave Lujan isn't a close friend.

**Headline:** Atalig: Bank of Saipan engaged in fraud

**Posted:** 07/17/02

**Summary:** dela torre/ Secretary of Commerce and Banking Commissioner Fermin M. Atalig says Bank of Saipan board members don't have standing to appeal his decision to keep bank under receivership. He says some of them sold their shares.

07/18/02      **Mair, Mair Spade & Thompson files Bank of Saipan opposition to receiver's report and instructions.**

07/18/02      **Attorney Richard W. Pierce to Superior Court: Certificate of Service.**

**Headline:** Bank of Saipan rehabilitation talks collapse

**Posted:** 07/18/02

**Summary:** sabuco/ This really appears to have occurred some time ago. Secretary of Commerce and Banking Commissioner Fermin M. Atalig says court must determine who actually owns the bank.

07/19/02      **Attorney Brian McMahon: Randall T. Fennell's response to declaration of Justice Castro (Supreme Court).**

07/19/02      **Attorney Brian McMahon: Superior Court: Order for presentation of current state of Bank of Saipan.**

**Headline:** Bank of Saipan Board requests court to unseal Fennell's report

**Posted:** 07/19/02

**Summary:** maraya/ The latest bunch of attorneys representing to Calvos and Junior Larry Hillblom's trust fund is trying to meddle with Bank of Saipan receivership.

**Headline:** Bank of Saipan directors want Fennell's report unsealed

**Posted:** 07/19/02

**Summary:** deal torre/ Bank of Saipan.

**Headline:** Bank of Saipan Board requests court to unseal Fennell's report

**Posted:** 07/19/02

**Summary:** maraya/ The latest bunch of attorneys representing to Calvos and Junior Larry Hillblom's trust fund is trying to meddle with Bank of Saipan receivership.

07/22/02      **Superior Court order on presentations of state of Bank of Saipan.**

**Headline:** Bank of Saipan report to be unveiled

**Posted:** 07/22/02

**Summary:** maraya/ Bank of Saipan Receiver Randall T. Fennell; presentation on state of bank by Griffin+Co and Columbia Financial Consultants.

**Headline:** 'Castro's tone changed quickly after \$250K donation'

**Posted:** 07/22/02

**Summary:** dela torre/ Counsel for Bank of Saipan Receiver Randall T. Fennell said Judge Alexandro C. Castro decided Guam Attorney David J. Lujan was OK after he came up with a \$250,000 donation for Castro's law library project. Fennell has sought recusal of Castro from presiding over Bank of Saipan matter due to connection with Lujan who is, among other things, a member of the Bank of Saipan board.

07/24/02      **Mair, Mair, Thompson & Spade files four pleadings, including opposition to disqualification of Justice Alexandro Castro and affidavits from Attorney David J. Lujan, June S. Mair and David A. Mair.**

07/25/02      **Mair, Mair, Thompson & Spade files request for hearing on Ex Parte meetings and presentation on state of Bank of Saipan with Superior Court.**

07/25/02      **Mair, Mair, Thompson & Spade files three pleadings with Supreme Court concerning disqualification of Judge LaMorena and Justice Castro.**

**Headline:** Calvos, JLH disclose purchase offer (sic)

**Posted:** 07/24/02

**Summary:** sabuco/ This is either the third or fourth time this offer in the Bank of Saipan receivership has been "disclosed" by the purported majority shareholders of the bank, the Calvos and the Junior Larry Hillblom Pacific Trust.

**Headline:** 'Judicious behavior requires Castro's disqualification'

**Posted:** 07/25/02

**Summary:** dela torre/ Cindy Adams, attorney for Bank of Saipan receiver Randall T. Fennell, says Justice Castro didn't take an opportunity to explain his longstanding relationship with Guam Attorney David J. Lujan, a BoS Board member, in the context of disqualification motion.

**Headline:** NMI govt. reconsiders BoS rehab

**Posted:** 07/26/02

**Summary:** vallejera/ Another non-story on the Bank of Saipan receivership. Commerce Secretary and Banking Commissioner Fermin Atalig SAYS AGAIN that rehabilitation of the bank may occur after a court sorts out who owns the bank after the complicated financial machinations that led to its closure. The Calvos and Junior Larry Hillblom Trust don't see it that way. They've got most of their money and the shares and want authorities to prosecute the indictees without examining the history and conduct of the Bank of Saipan board, which could produce some more criminal indictments.

**Headline:** BoS objects to status presentation

**Posted:** 07/26/02

**Summary:** maraya/ Apparently "majority" Bank of Saipan shareholders aren't looking forward to report on bank by receiver Randall T. Fennell.

07/29/01      **Attorney Richard W. Pierce to Supreme Court: Petition for Mandamus.**

07/29/02      **Supreme Court sets hearing on petition to disqualify Justice Castro and Judge LaMorena.**

**Headline:** Mair says Fennell allegations 'erroneous'

**Posted:** 07/29/02

**Summary:** dela torre/ Bank of Saipan Receiver Randall T. Fennell has pointed out that Justice Alexandro C. Castro's decision to kick up Hillblom Estate liquidator Jose R. Lifofoi's compensation from \$150K to \$350K

suggests a conflict, since Lifofoi has also been a director of BoS.

**07/30/02 Attorney Brian McMahon to Superior Court: Receiver's report from Columbia Financial Advisor, Inc & Griffin & Company.**

**Headline:** Babauta, execs get first dibs on BoS report

**Posted:** 07/30/02

**Summary:** vallejera/ Consultants hired by Bank of Saipan receiver Randall T. Fennell lay out the generally bad news on the state of the closed institution.

**Headline:** Disqualification hearings heard at the CNMI Supreme Court today

**Posted:** 07/30/02

**Summary:** apatang/ Separate motions to disqualify Justice Alexandro C. Castro and Guam Judge Alberto Lamorena from hearing Bank of Saipan matters heard by Guam Justice Frances Tydingco-Gatewood.

**Headline:** Motions for disqualification of Justice Castro, Justice Lamorena heard at CNMI Supreme Court

**Posted:** 07/30/02

**Summary:** blalock/ Motions by Bank of Saipan receiver Randall T. Fennell and Attorney General Robert T. Torres heard by Guam Justice Frances Tydingco-Gatewood.

**Headline:** Bank of Saipan receiver Fennell's presentation on the state of the bank

**Posted:** 07/30/02

**Summary:** apatang/ Michael Dotts, an attorney for 'majority' shareholders suggests presentation made a case for 'rehabilitating' the bank rather than liquidating it.

**07/31/02 Attorney Richard W. Pierce to Superior Court: Receiver's lodging of Texas cases with the court.**

**07/31/02 Mair, Mair Spade & Thompson to Supreme Court on Bank of Saipan's lodging of additional authority**

**Headline:** Guam judge hears motion to disqualify Castro, Lamorena (sic)

**Posted:** 07/31/02

**Summary:** dela torre/ Actually two motions are heard by Guam Supreme Court Justice Frances Tydingco-Gatewood, seeking disqualification of Justice Alexandro C. Castro and Guam Justice Alberto Lamorena from hearing Bank of Saipan matters.

**Headline:** BoS presentation draws flak

**Posted:** 07/31/02

**Summary:** alejandro/ Bank of Saipan depositors don't discern any good news in candidate briefing from bank receiver Randall T. Fennell and hired experts who analyzed the institution.

**08/01/02 Attorney Richard W. Pierce: Superior Court, affidavit of service.**

**Headline:** BoS loan payment collection shrinks

**Posted:** 08/01/02

**Summary:** alejandro/ Bank of Saipan collections down following receivership.

**Headline:** Bank of Saipan debacle drags on

**Posted:** 08/01/02

**Summary:** maraya/ Guam Supreme Court Justice Frances Tydingco-Gatewood hears arguments for disqualification of Justice Alexandro Castro, Guam Justice Alberto Lamorena from hearing Bank of Saipan matters.

**Headline:** Dotts: Consultants' reports echo Calvos' position

**Posted:** 08/01/02

**Summary:** dela torre/ Attorney Michael Dotts finds some material in Bank of Saipan reports that he says his clients

agree with.

**08/02/02 Mair, Mair, Spade & Thompson: Supplemental memo re: scheduling, Superior Court.**

**08/02/02 Mair, Mair, Spade & Thompson: Supreme Court. Bank of Saipan's second lodging of additional authority.**

**08/02/02 Superior Court: Order on status conference.**

**Headline: Passing the buck**

**Posted: 08/02/02**

**Summary: letter to the editor/representative stanley t. torres/ The Calvos and Dave Lujan have a lot of nerve telling us they should still be running the Bank of Saipan which they ran into the ground.**

**08/05/02 Attorney Richard W. Pierce: Supreme Court, receiver's objection to additional memo by petitioner on writ of mandamus.**

**Headline: Court to hear motion for Fennell's replacement**

**Posted: 08/06/02**

**Summary: dela torre/ Superior Court; Bank of Saipan receivership. CNMI government has proposed Oscar Camacho as permanent receiver.**

**08/07/02 Attorney Richard W. Pierce: Three pleadings to Superior Court regarding attorney's report.**

**08/08/02 Attorney Richard W. Pierce: Seven pleadings to Superior Court, including requests for attorney and other payments by the court.**

**Headline: Bank of Saipan receiver files for various charges**

**Posted: 08/08/02**

**Summary: coldeen/ Randall T. Fennell.**

**08/09/02 Attorney Richard W. Pierce: Six pleadings to Superior Court, including memorandum in support of request to exonerate receiver.**

**08/09/02 Mair, Mair, Spade & Thompson: Superior Court, memorandum in support of stay.**

**Headline: Receiver mulls collection cases**

**Posted: 08/09/02**

**Summary: maraya/ Bank of Saipan receiver Randall T. Fennell asks Superior Court for approval to pursue those who quit paying on Bank of Saipan loans.**

**Headline: Fennell asks court to OK \$112K in legal fees**

**Posted: 08/09/02**

**Summary: dela torre/ Bank of Saipan receiver Randall T. Fennell.**

**08/13/02 Attorney Richard W. Pierce: Two pleadings to Superior Court, including vehicle sale and request for hearing.**

**08/13/02 Mair, Mair, Spade & Thompson: Three Bank of Saipan excepts of record.**

**08/14/02 Mair, Mair, Spade & Thompson: Three pleadings including deposition involving Oscar C. Camacho**

**08/15/02 Attorney Richard W. Pierce to Superior Court: four pleadings.**

**Headline:** Tenorio wants to be Bank of Saipan receiver

**Posted:** 08/15/02

**Summary:** sabuco/ Former Governor Froilan C. Tenorio offered his services to Governor Juan Nekai Babauta.

**08/16/02** Attorney Matthew T. Gregory gives notice of entry of appearance to Supreme Court on behalf of Tan Holdings.

**08/16/02** Supreme Court orders granting motion to disqualify Justice Alexandro C. Castro, denying disqualification of Justice Pro Tem Alberto C. Lamorena and designating Judge Virginia S. Onerheim as Justice Pro Tem.

**Headline:** Castro is out, Lamorena in on Bank of Saipan

**Posted:** 08/16/02

**Summary:** apatang/ Acting Judge Frances Tydingco-Gatewood finds Justice Alexandro C. Castro disqualified from hearing matters involving Bank of Saipan receivership, but Guam Justice Alberto Lamorena is OK.

**Headline:** Fennell: Delay in deposit repayment could lead to mistreatment of alien workers

**Posted:** 08/16/02

**Summary:** dones/ Bank of Saipan receiver Randall T. Fennell suggests, that among other things, garment worker bank accounts tied up there could become a Washington, D.C. issue regarding CNMI immigration, labor controls.

**Headline:** Castro is out, Lamorena in on Bank of Saipan case

**Posted:** 08/16/02

**Summary:** apatang/ Acting Judge Frances Tydingco-Gatewood finds Justice Alexandro C. Castro disqualified from hearing matters involving Bank of Saipan receivership, but Guam Justice Alberto Lamorena is OK.

**Headline:** Castro removed from BoS proceedings

**Posted:** 08/17/02

**Summary:** maraya/ Justice Pro-Tem Frances Tydingco-Gatewood removes Justice Alexandro C. Castro from Bank of Saipan case, citing his involvement with creation of Larry Lee Hillblom Law Library, the inspiration of Guam Attorney David Lujan, who is also a member of the Bank of Saipan Board of Directors. Tydingco-Gatewood leaves Guam Justice Al Lamorena on the three-judge panel however.

**08/19/02** Attorney Richard W. Pierce files six pleadings with Superior Court, including superceding indictment, declarations of Ronald A. Flores, B. Douglas Montgomery and Thomas Schoen as well as position on intervention of the Calvos and the JLH Pacific Trust.

**Headline:** Judge Onerheim will now sit on panel to consider issues about Bank of Saipan receivership

**Posted:** 08/19/02

**Summary:** Judge Virginia Sablan-Onerheim.

**Headline:** Bank of Saipan action in court

**Posted:** 08/19/02

**Summary:**

**Headline:** Castro disqualified from receivership hearing

**Posted:** 08/19/02

**Summary:** dela torre/ Supreme Court Justice Alexandro Castro won't be sitting on panel that considers the future of Bank of Saipan receiver Randall T. Fennell. Judge Pro Tem Frances Tydingco-Gatewood however leaves Guam Justice Alberto M. Lamorena on board.

**08/20/02** Attorney Richard W. Pierce files two pleadings with Superior Court, including lodging of Bexar County, Texas case with the court.

**08/20/02** Mair, Mair, Spade and Thompson. Superior Court notice to parties.



08/20/02 Attorney Richard W. Pierce: Filing under seal with Superior Court of Thomas Schoen declaration.

**Headline:** Montgomery files \$20M counterclaim

**Posted:** 08/20/02

**Summary:** dela torre/ Bert Douglas Montgomery counter-sues Bank of Saipan shareholders, including the Calvo brothers and Junior Larry Hillblom Pacific Trust for alleged slander of title, fraud and conspiracy in the transaction in which they got the money but kept their bank shares. Attorney Mark B. Hanson.

08/21/02 Attorney General's Office to Superior Court: Entry of appearance by new Assistant AG.

08/21/02 Attorney Richard W. Pierce: Superior Court, affidavit of service.

08/21/02 Attorney General's Office to Supreme Court: Entry of appearance by new Assistant AG.

08/21/02 Attorney General's Office joinder in receiver position on intervention of Calvos and JLHPT and Atalig's joinder in motion to strike supplemental memorandum be petitioner.

08/21/02 Superior Court order setting hearing.

08/22/02 Attorney Brian McMahon: Three pleadings to Superior Court concerning authorization of payment of professional fees.

08/22/02 Attorney Brian Sers Nicolas to Superior Court: JHL Pacific Trust's response to receiver's motion to intervene.

08/22/02 Attorney Robert J. O'Connor to Superior Court on receiver's position and defense in intervention.

08/22/02 Attorney Brian McMahon to Superior Court: Report of Receiver Randall T. Fennell to court and approval of same.

08/22/02 Mair, Mair, Spade & Thompson to Supreme Court: Motion to review by full panel mtion to disqualify Justice Castro.

08/22/02 Judge Virginia Onerheim notice to Supreme Court regarding Ex Parte communication.

08/22/02 Supreme Court: Order and designation of Justice Pro Tem Michael J. Bordallo.

**Headline:** BoS reports missing cash

**Posted:** 08/22/02

**Summary:** maraya/ "Large amount of money" apparently was stolen at Bank of Saipan nearly a month ago, but just reported to police.

08/23/02 Mair, Mair, Spade & Thompson to Superior Court: Four pleadings, including memorandum in opposition to request to exonerate receiver, opposition to Ex Parte request by receiver for payment of attorneys fees.

08/23/02 Office of the Attorney General to Superior Court: Opposition to motion to stay filed by defendant.

08/23/02 Mair, Mair, Spade & Thompson: Two pleadings to Supreme Court including Bank of Saipan objection to motion to strike and motion for review by full panel of order disqualifying Justice Castro.

**Headline:** Sablan-Onerheim designated as Castro's replacement

**Posted:** 08/23/02

**Summary:** dela torre/ Judge Virginia Sablan-Onerheim will replace Justice Alexandro C. Castro on Bank of Saipan receivership case.

**Headline:** Calvos challenged to justify motion to intervene

**Posted:** 08/23/02

**Summary:** dones/ Bank of Saipan receiver Randall T. Fennell wants alleged 'majority shareholders' in the Bank of Saipan, the Calvo brothers and Junior Larry Hillblom Trust, to show that they've got a remaining interest in the bank after selling their shares.

**Headline:** Retired Justice Marty Taylor recuses himself from Bank of Saipan case

**Posted:** 08/23/02

**Summary:** Taylor joins the exit of judges from this case.

08/26/02      **Attorney Richard W. Pierce: Two pleadings to Superior Court responding to objection to payment of attorney fees.**

08/26/02      **Attorney Robert J. O'Connor to Superior Court: Reply to government joinder.**

08/26/02      **Attorney Brian McMahon to Superior Court: Errata to Receiver's report.**

**Headline:** Manibusan, Onerheim squabble over Bank of Saipan case

**Posted:** 08/26/02

**Summary:** dela torre/ The newest entrant to the ever changing Bank of Saipan dispute, Judge Virginia Sablan-Onerheim, complains Judge Ed Manibusan wrote her a letter suggesting it might be improper for her to sit on Supreme Court panel. Judge Manibusan is presiding over Bank of Saipan case in Superior Court.

**Headline:** Bank of Saipan depositor needs money for ailing mother

**Posted:** 08/26/02

**Summary:** dela torre/ Bangladeshi man, Kazi Abdul Gaffar.

08/27/02      **Attorney Robert J. O'Connor to Superior Court: Affidavit of Edward M. Calvo.**

**Headline:** Guam judge to sit on Bank of Saipan panel

**Posted:** 08/27/02

**Summary:** dela torre/ Chief Justice Miguel S. Demapan appoints Guam Superior Court Judge Michael J. Bordallo to replace former Supreme Court Justice Marty Taylor. Questions are raised about the appointment by Demapan, who earlier recused himself from the case.

**Headline:** Bank of Saipan receiver Randall T. Fennell reports on the present state of the bank

**Posted:** 08/27/02

**Summary:** coldeen/ The news, as expected, is not good. Many borrowers immediately stopped paying on loans and there have been two internal thefts not covered by insurance. Plan is offered for long term pay-off, and or, liquidation.

**Headline:** Bank of Saipan's agreements with CDA, Fund questioned

**Posted:** 08/27/02

**Summary:** dones/ Bank of Saipan receiver Randall T. Fennell asks for legal review of agreements by Commonwealth Development Authority, CNMI Retirement Fund.

08/28/02      **Attorney Richard W. Pierce to Superior Court: Certificate of service.**

08/28/02      **Attorney Brian McMahon to Superior court: Report of sale, certificate of service.**



**Headline:** Bank shareholders say Castro should sit on panel

**Posted:** 08/28/02

**Summary:** dela torre/ So called majority shareholders in Bank of Saipan want three judge panel to rule on decision by Justice Pro Tem Frances Tydingco-Gatewood removing Justice Alexandro C. Castro from that panel.

**Headline:** Fennell: Bank of Saipan solvency overstated

**Posted:** 08/28/02

**Summary:** dones/ Bank of Saipan receiver Randall T. Fennell says former bank management left out a few things, such as inadequate loan reserves and a huge number of bad loans. He says the bank was driven into receivership by not only the alleged fraud, but by years of bad management by former management and board.

**Headline:** Money for MVA promotion deposited in Bank of Saipan

**Posted:** 08/28/02

**Summary:** dones/ It must have been pretty painless for Marianas Public Lands Authority to promise \$2.6 million to the Marianas Visitors Authority when MPLA presumably knew it was locked up (securely?) in the Bank of Saipan. Of course, MVA then promised to give up some amount of the unavailable cash to the administration to deal with year-end deficit.

**Headline:** Bank of Saipan receiver Randall T. Fennell reports on perilous state of bank

**Posted:** 08/28/02

**Summary:** coldeen/ Fennell says that CNMI government agencies with large deposits in the bank may be able to help out rank and file depositors. "Major stockholders" who got paid off for their shares also should pay money back in.

**08/29/02 Attorney Richard W. Pierce to Supreme Court: Objection to full panel review of disqualification of Justice Castro.**

**Headline:** Fennell says many Bank of Saipan clients have stopped paying loans

**Posted:** 08/29/02

**Summary:** dones/ Bank of Saipan receiver Randall T. Fennell says collection operation is being instituted.

**Headline:** Fennell persists as Bank of Saipan receiver despite best efforts of "majority" shareholders

**Posted:** 08/29/02

**Summary:** Part two of series. Attorney Randall T. Fennell says various challenges to him have kept him on the job much longer than he anticipated. Fennell says he's particularly concerned about alien workers who are being stiffed, at least for the time being. He's still promoting plan to involve the Commonwealth Development Authority in winding down the bank with maximum payment to depositors. The only alternative would be liquidation and that's supported by Governor Juan Nekai Babauta and some consultants.

**08/30/02 Attorney Brian McMahon to Superior Court: Certificate of Service.**

**08/30/02 Attorney Richard W. Pierce to Superior Court: Receiver's reply to opposition of exoneration of receiver, declaration of Richard W. Pierce.**

**08/30/02 Mair, Mair, Spade & Thompson to Superior Court: Memo in support of Bank of Saipan motion to stay.**

**08/30/02 Attorney Robert J. O'Connor to Superior Court: Objection and motion to appoint special master by Calvo applicants.**

**08/30/02 Attorney Richard W. Pierce to Supreme Court: Receiver's excerpts of record.**

**08/30/02 Attorney General's Office to Supreme Court: Response to motion for full panel review of disqualification of Justice Castro.**

**08/30/02 Attorney Richard W. Pierce to Supreme Court: Receiver's opposition to motion for stay of proceedings in Superior Court.**

**Headline:** CDA seeks partnership with Bank of Saipan receiver

**Posted:** 08/30/02

**Summary:** dones/ Commonwealth Development Authority wants to take charge of \$16.5 million in government deposits in Bank of Saipan and operate collections of loans.

**Headline:** There is now a three judge panel to hear the Bank of Saipan

**Posted:** 08/30/02

**Summary:** coldeen/ But wrangling goes on over the fate of the bank, featuring Attorney Robert O'Connor, who is among those representing the "majority" shareholders claiming to still own the bank.

**Headline:** CDA seeks partnership with Bank of Saipan receiver

**Posted:** 08/30/02

**Summary:** dones/ Commonwealth Development Authority wants to take charge of \$16.5 million in government deposits in Bank of Saipan and operate collections of loans.

**Headline:** Calvos: Fennell may be draining BoS of cash

**Posted:** 09/02/02

**Summary:** ravelo/ This can only be described as remarkable chutzpah. Guam's Calvo brothers, who themselves drained millions out of the Bank of Saipan for sale of their stock AND maintain they are still the majority shareholders point the finger at Bank receiver Randall T. Fennell for hiring consultants and various other expertise in an effort to collect funds to repay depositors. They are attempting to block payment for these services. According to them, Fennell wants to hire Attorney Mike White on a contingent fee basis to collect on bad bank loans, the most common sort at BoS. Depositors hoping to get money back from their accounts who also know White's ferocious approach to collections can only be applauding.

**09/03/02 Attorney Richard W. Pierce to Superior Court: Certificate of service.**

**09/03/02 Attorney Richard W. Pierce to Supreme Court: Three motions including correction of errors in memo opposing motion for stay of proceeding in Superior Court.**

# Exhibit 9

RANDALL T. FENNELL

Receiver for Bank of Saipan

2nd Floor Flaming Tree Terrace Bldg.  
Post Office Box 500049CK  
Saipan, MP 96950  
Telephone (670) 323-6633  
Facsimile (670) 323-7435  
E-mail: randy.fennell@saipan.com

Bank of Saipan  
Post Office Box  
Saipan, MP 969  
Telephone (670)  
Facsimile (670)

000693 to

000698

## TELEFACSIMILE COVER LETTER

DATE: 6/11/02

RECEIVED JUN 11 2002

To:

Cindy Adams -  
Richard Pierce

000693

From:

Bank of Saipan, Receivership Files ✓  
Attn: Randall T. Fennell, Receiver  
AND  
Bank of Saipan, Receivership Files  
Attn: Cindy Adams, Esq.

MAKE ALL FAXED CORRESPONDANCE TO BOTH ADDRESSES

TELEFACSIMILE Not.: 234-9316 Office of Cindy Adams  
323-7435 Office of Randall T. Fennell

Total number of pages including this cover sheet: 22

## COMMENTS

21 pgs - Memo's / fxs from Diane K Bragosa  
re: Lujan/Castro re Hillblom memorial  
Fund

If you do not receive all pages clearly, PLEASE CALL (670)323-6633

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHOM IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF YOU ARE NOT THE INTENDED RECIPIENT OR THE EMPLOYEE OR AGENT RESPONSIBLE FOR DELIVERING THE MESSAGE TO THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE, AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE. THANK YOU.

JUN 18 2002 17:23 FR S... WILLIAMS...  
JUN-18-02 07:22 PM BERGERON, DIANE, K. 321 757 4999

P.02

Diane K. Bergeron  
Attorney at Law  
SRA for Huguette Escote  
PMB 184 Box 10001  
Seipon, MP 96350  
(670) 233-1094

## Fax

To: JUSTICE CASTRO

Fax Number: (670) 236-9702

Pages: 7, including this cover sheet.

Date: March 8, 2000

Regarding: Letter to Lujan, Atalig & Manlapat re Memorial Foundation

---

Dear Justice Castro:

I wanted to CC you on this letter so that you would be aware of my contact with these parties and also to request that you edit my letter and let me know if you think it is appropriately written.

Thank you,

Diane K. Bergeron, your SRA

From the desk of...

Diane K. Bergeron  
Special Research Attorney  
PMB 184 Box 10001  
Seipon, MP 96350  
Phone: (670) 233-1094  
Fax: (670) 233-1095

JUN 18 2002 17:24 FR

DE WILLIAMS

DEUTSCHER

JUN-10-02 07:22 PM

BERGERON, DIANE K.

821 757 6999

P. 05

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March 8, 2000

David J. Lujan, Esq.  
 Antonio M. Atalig, Esq.  
 Luz Manlapaz, Esq.  
 via fax (671) 477-5297 (Lujan)  
 via fax 234-0491 (Atalig & Manlapaz)

RE: Larry Lee Hillblom Memorial Foundation

Dear Mr. Lujan, Mr. Atalig and Mrs. Manlapaz:

I am writing in regards to the *Larry Lee Hillblom Memorial Foundation*. I have attached a draft of a Trust Agreement I created. I respectfully submit it to all of you for your comments and suggestions. Of course, you do not have to accept my version, I just hoped to move forward the process. I believe the Foundation should also be incorporated for the protection of the Trustees, Grantors, and the benefit of the peoples of the CNMI. By incorporating the Foundation there would be additional language added to the present document and there would be further documents that would need to be created, ie: Articles of Incorporation, etc. I would be willing to create all of the necessary documents and to obtain the TIN (taxpayers identification number) allowing us to be designated a "charitable trust" for tax purposes. Once this TIN is obtained both the *Junior Larry Hillblom Trust* and the *Mercedita Feliciano Trust* can deduct 100% of these generous donations.

I need written permission from you (presently just Mr. Lujan) to withdraw the minimum amount necessary to obtain the TIN number. I believe it will be less than \$500.00, in fact probably much less. Also, I suggest we put the majority of the present funds into a 30 day CD where we can earn 4.25% interest as opposed to the present 2.75% we are earning while waiting to finalize the December 21, 1999 Letter of Agreement. I would also request written permission from Mr. Lujan to make this CD purchase from the Bank of Saipan. (We have already made an additional \$1,200.00 in interest and that will increase to nearly \$2,000 by the end of the quarter. That can be significantly higher if we move the majority of the funds to 30 day CD's.)

I have not yet received the Feliciano funds. As you may know Mr. Snow did not deduct the \$250,000.00 from the last distribution because both he and I needed that request in writing.

JUN 18 2002 17:24 FR S. WILLIAMS

DO NOT WRITE IN THESE SPACES

JUN 18 2002 07:23 PM

BERGERON, DIANE K.

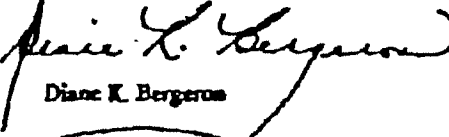
212 757 6999

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When I spoke to Luz in Honolulu she assured me she would discuss this matter with the guardian and if her permission was obtained the monies would be forwarded to the account. If it would be easier for you, you could just write a short note to Mr. Snow giving him the authority to direct \$250K from the next distribution into the Memorial Foundation. Again, this is totally up to you to decide, this is, after all, a donation and it is your choice whether it will be honored. As Luz and I discussed in Honolulu, this is truly a legacy these two children will be leaving for their father and themselves. They can look back on this twenty years from now and see that their donations created a lasting and generous endowment for the people of the CNMI and they will, I am sure, be very proud of themselves. I am proud to be a small part of this generous enterprise and I thank you for the opportunity.

I realize we are all very busy, what with the Global Settlement Agreement and the impending March 16 hearing date. However, if it is at all possible, please respond to this correspondence by the end of this week. That will give me time to complete the Trust Agreement, with your changes, before the hearing next Thursday. Please feel free to contact me by phone, fax, letter or e-mail (see letterhead above).

Sincerely yours,



Diane K. Bergeron

cc: Alessandro C. Ostro, Judge Pro Tem

P.S.: If we do incorporate the Trust - I will need a list of the "Board of Directors" - all of you will of course be good choices as well as 4 or 5 others.

JUN 18 2002 17:26 FR SC

BERGERON, DIANE K.

521.757 6009

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JUN-18-02 07:27 PM

# Hillblom Memorial Fund Trust Agreement

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The purpose of the Hillblom Memorial Fund is to foster the academic and scholarship of the Commonwealth of the Northern Mariana Islands, particularly in the fields of law, science and medical research.

The Junior Larry Hillbloom Trust and the Law Firm of Walsworth, Franklin, Bevins & McCall as Donors, created a Trust Fund with an initial irrevocable gift of \$259,104.12 donated by the Junior Larry Hillbloom Trust and an additional \$150,000.00 donated by the Walsworth Law Firm. Pursuant to the December 21, 1999 Letter of Agreement Creating the Larry Lee Hillbloom Memorial Foundation, Diane K. Bergeron, Esq. was named Temporary Trustee until such time as this Trust Agreement would be prepared.

The Donors and the Temporary Trustee have subsequently decided to rename the Trust the "Hillblom Memorial Fund".

I, Diane K. Bergeron, Temporary Trustee, have established a Trust Account, with the Trust Funds listed above, at the Bank of Saipan, Commonwealth of the Northern Mariana Islands.

I hereby give, transfer, and deliver the funds of that Trust Account to the Trustees in trust for the purposes stated above.

These funds shall be known as the Hillblom Memorial Fund. Donors, Diane K. Bergeron as Temporary Trustee, the Bank of Saipan of the Northern Mariana Islands, as corporate trustee, and Supreme Court Justice Alejandro Castro of the Northern Mariana Islands, Diego Mendola of the Northern Mariana Islands, David Lujan, Esq. of Guam, USA; as individual trustees, hereby agree as follows:

## SECTION ONE TRANSFER OF TRUST FUNDS

Temporary Trustee hereby gives and transfers to above named Trustees the Hillblom Memorial Fund Trust Fund together with its income and profits and any other sums that may be transferred to Trustees or their successors pursuant to the terms of this Agreement, to hold in trust for the uses and purposes set forth in this Agreement.